

[Cal. Health & Safety Code §§ 1000 through 1005.]

§ 1000 of Council on Health Care Delivery Systems

(a) The Legislature finds and declares all of the following:

- (1) Health care is a human right and it is in the public interest that all Californians have access to health care that improves health outcomes, manages and lowers health care costs for the state and its residents, and reduces health disparities.
 - (2) With the implementation of the federal Patient Protection and Affordable Care Act (Public Law 111-148) and other state efforts, California has reduced the uninsured share of its population to less than 10 percent.
 - (3) As of 2016, nearly three million Californians remained uninsured, 21 percent of Californians remained underinsured, and 11 percent of California adults went without health care because of cost.
 - (4) The United States spends more per capita than any other industrialized nation on health care, but has low rankings based on many metrics, including access to care, equity, efficiency, and healthy lives.
 - (5) California has a primary care physician shortage, and the geographic distribution of physicians across California is uneven.
 - (6) According to the federal Centers for Medicare and Medicaid Services, national health spending is projected to grow 5.5 percent annually, on average, through 2026, representing 19.7 percent of the economy in 2026.
- (b) It is the intent of the Legislature to establish a health care delivery system that provides coverage and access through a unified financing system for all Californians.
- (c) It is the intent of the Legislature to control health care costs so that California is able to achieve a sustainable health care system with more equitable access to quality health care.
- (d) It is the intent of the Legislature that rising health care costs be mitigated and administrative costs be limited so that more money is spent on direct care to patients and less on profits and overhead.
- (e) It is the intent of the Legislature that all Californians receive high-quality health care, with positive health care outcomes, regardless of age, income, race, ethnicity, immigration status, gender or gender nonconforming status, sexual orientation, geographic location, health status, or ability.
- (f) It is the intent of the Legislature that all Californians have access to affordable health coverage, including health coverage with reasonable out-of-pocket costs relative to household income, or being eligible for appropriate cost-sharing assistance.
- (g) It is the intent of the Legislature that California train and employ an adequate number of primary care physicians, specialty care physicians, mental and behavioral health professionals, and allied health care professionals to meet the health care needs of the state.
- (h) It is the intent of the Legislature that the health care system ensure that all Californians have timely access to necessary health care, including access that addresses language and geographic barriers.

§ 1001 of Council on Health Care Delivery Systems

- (a) Effective January 1, 2019, there is hereby established the Council on Health Care Delivery Systems as an independent body to develop a plan that includes options for advancing progress toward achieving a health care delivery system in California that provides coverage and access through a unified financing system for all Californians.
- (b) The council shall meet for the first time on or before July 1, 2019, and shall convene meetings at least quarterly at locations that are easily accessible to the public in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).
- (c) (1) The council shall be comprised of five members as follows:
- (A) Three members who shall be appointed by the Governor.
- (B) One member who shall be appointed by the Senate Committee on Rules.
- (C) One member who shall be appointed by the Speaker of the Assembly.
- (2) The appointees shall have appropriate knowledge and experience regarding health care coverage or financing, or other relevant expertise.
- (3) The council shall elect a chairperson on an annual basis.
- (4) The members of the council shall serve without compensation, but shall be reimbursed for necessary traveling and other expenses incurred in performing their duties and responsibilities.
- (d) The council may establish advisory committees that include members of the public with knowledge and experience in health care that support stakeholder engagement and an analytical process by which key design options are developed. A member of an advisory committee need not be a member of the council.
- (e) The council and each advisory committee shall keep official records of all of their proceedings.

§ 1002 of Council on Health Care Delivery Systems

- (a) On or before October 1, 2021, the council shall submit to the Legislature and Governor a plan with options that include a timeline of the benchmarks and steps necessary to implement health care delivery system changes, including steps necessary to achieve a unified financing system. The plan shall be submitted in compliance with Section 9795 of the Government Code. The plan shall also be posted on the California Health and Human Services Agency's Internet Web site. The plan shall, at a minimum, consider all of the following:
- (1) Key design options, including covered benefits, eligibility, service delivery, provider payments, and quality improvement.
- (2) Requirements potentially necessary for the state, in consultation with the State Department of Health Care Services, to seek federal waivers and federal statutory changes, by which funds currently managed by the federal government, but used on behalf of Californians, may be consolidated with other funding sources.
- (3) A summary of relevant requirements under current law and potential state constitutional and statutory amendments that may be evaluated to improve the health care system.

- (4) Options for financing and an analysis of the need for voter approval of any financing.
 - (5) Potential considerations for building or restructuring information technology systems and financial management systems necessary for health care system changes.
 - (6) Opportunities for controlling health care costs, including mitigating rising health care costs and limiting administrative costs so that more money is spent on direct care to patients and less on profits and overhead, in order to achieve a sustainable health care system with more equitable access to quality health care.
- (b) The council shall provide an update detailing its progress in developing the plan required by subdivision (a) to the Governor and the health committees of the Senate and the Assembly on or before January 1, 2020, and shall update those committees every six months thereafter.

§ 1002.5 of Council on Health Care Delivery Systems

- (a) The council shall prepare an analysis and evaluation, known as a feasibility analysis, to determine the feasibility of a public health insurance plan option to increase competition and choice for health care consumers.
- (b) At a minimum, the feasibility analysis shall include all of the following:
 - (1) An actuarial and economic analysis of a public health insurance plan.
 - (2) A plan to expand the participation of public health plans, including state-licensed county organized health systems and local health plans.
 - (3) A state developed public health insurance plan.
 - (4) A list of necessary federal waivers for a state-developed public health insurance plan.
 - (5) A discussion of potential funding and state costs for a public health insurance plan.
 - (6) An analysis of the extent to which a new public health insurance plan option could address the underlying factors that limit health plan choices in some regions.
- (c) In developing the feasibility analysis, the council shall consult with key stakeholders, including, but not limited to, consumer advocates, health care providers, and health plans, including, but not limited to, county organized health systems and local health plans.
- (d) (1) The council shall submit the feasibility analysis to the Legislature and the Governor on or before October 1, 2021. The feasibility analysis shall be submitted in compliance with Section 9795 of the Government Code.
(2) The council shall provide an update detailing its progress in developing the feasibility analysis to the Governor and the health committees of the Senate and the Assembly on or before January 1, 2020, and shall update those committees every six months thereafter.
- (e) This section does not authorize the council to apply for a waiver under Section 1332 of the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), and any amendments to, or regulations or guidance issued under, those acts.

§ 1003 of Council on Health Care Delivery Systems

This part shall not be construed to authorize the council to implement any provision of the plan developed pursuant to Section 1002 until there is further action by the Legislature and the Governor.

§ 1004 of Council on Health Care Delivery Systems

(a) The California Health and Human Services Agency is authorized to provide staff support to implement this part.

(b) For purposes of implementing this part, including, but not limited to, hiring staff and consultants, facilitating and conducting meetings, conducting research and analysis, and developing the required plan and updates, the California Health and Human Services Agency may enter into exclusive or nonexclusive contracts on a bid or negotiated basis. Contracts entered into or amended pursuant to this section shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and shall be exempt from the review or approval of any division of the Department of General Services.

§ 1005 of Council on Health Care Delivery Systems

This part shall remain in effect only until January 1, 2022, and as of that date is repealed.