



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

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Charity Health Care Initiative Enters Circulation

Nonprofit Hospitals. Required Minimum Charity Care. Initiative Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponents and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponents and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

NONPROFIT HOSPITALS. REQUIRED MINIMUM CHARITY CARE. INITIATIVE STATUTE. Requires nonprofit hospitals to provide free health care to needy patients in amount annually at least 5 percent of their net patient revenues. Exempts hospitals where minimum charity care would result in operating margin less than 1 percent, and hospitals that are part of certain large nonprofit health systems. Requires nonprofit hospitals to give Attorney General annual reports on charity care provided. Authorizes penalties for non-compliance, including revocation of tax-exempt status and appointment of Attorney General representative to hospital's board of directors. Makes nonprofit director/officer liability protections inapplicable to enforcement actions. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Potential increased costs to state and local governments, at least in the millions of dollars annually through 2017, associated with potentially increased premiums for government-purchased health insurance. Potential local government savings, at least in the low millions of dollars annually through 2017, from uninsured persons accessing health care services at certain nonprofit hospitals instead of at government-funded, public hospitals.** (11-0081.)

The Secretary of State's tracking number for this measure is 1556 and the Attorney General's tracking number is 11-0081.

The proponents for this measure, Nisa L. Walker and Jimi Hardy, must collect signatures of 504,760 registered voters – the number equal to five percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponents have 150 days to circulate petitions for this measure, meaning the signatures must be collected by June 18, 2012.

The initiative proponents can be reached at (916) 442-2952.

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