



Senator Sydney K. Kamlager (District 30)

SB 642: Patients over Profits

IN BRIEF

SB 642 will protect patients' medical decisions by preventing private equity firms, health care facilities or any other entity that is not licensed to practice medicine from interfering, controlling or otherwise limiting a patient's medical care for non-medical reasons.

Unfortunately, an increasing number of healthcare facilities require that licensed health care providers obtain prior approval from non-clinicians to provide care, including in urgent and emergent cases, which delays treatment and puts patients' lives at risk.

BACKGROUND & PROBLEM

The health care system has significantly changed in the past few decades. One trend that has impacted patient care is the rapid pace of mergers, affiliations and acquisitions. These transactions give companies tremendous power to dictate patient care—even if their motives are profit-driven, monopolistic, and discriminatory.

For example, CEOs can impose policies that prohibit physicians from delivering evidence-based medical services to patients, even when their health facilities are equipped and staffed to deliver these services. Restrictions that are not evidence-based nor grounded in medical science should have no place in our health care system.

To maximize profits, companies also often cut unprofitable medical procedures, set billing quotas, require internal referrals for medical services, and pressure providers to perform unnecessary but lucrative procedures. A 2018 [study](#) of two million cardiac patients found that those treated in consolidated hospitals were more likely to have heart attacks, visit the emergency department, be readmitted to the hospital or die.

Through these strategies, mergers have increased the price of hospital services by [6-18%](#) in recent years—keeping medical care out of reach for many patients and straining our health systems.

SOLUTION

Corporations should not have unfettered authority to control patient care based on policies that conflict with the clinical decision-making of healthcare providers. California banned the corporate practice of medicine for this purpose – to ensure that those who are untrained in medicine do not interfere with the practice of medicine, the physician-patient relationship, nor prevent access to comprehensive healthcare.

A patient's decision to receive medical care falls within the ambit of the practice of medicine and is accordingly given all the respect, privileges, and protections of the profession, stemming from the physician's Hippocratic Oath. California law also extends to that decision a host of legal protections designed to prevent undue interference in the practice of medicine due to improper motives, including discrimination and profiteering. In hospitals, California also requires that policies affecting patient care involve the hospital's medical staff, which legally must be self-governing.

This bill will strengthen these protections to ensure patient access to affordable, comprehensive and inclusive medical care based on medical criteria alone. California must stop the corporate transformation of medicine and protect all patients over company motives.

SUPPORT

American Association of University Women, CA
American College of Obstetricians and Gynecologists
American Medical Women's Association
California Academy of Family Physicians
California Medical Association
California Podiatric Medical Association
California Women's Law Center
Casa del Diabetico USA
Compassion and Choices
David Carrillo, Executive Director of California Constitution Center
Indivisible CA-33
La Cooperativa Campesina de California
Los Amigos De la Comunidad, Imperial Valley
National Council of Jewish Women Los Angeles

National Women's Political Caucus of California
Planned Parenthood Affiliates of California
Psychiatric Physicians Alliance of California
Stonewall Young Democrats
UC Graduate and Professional Council
UC Graduate Student Associations
Union de Guatemaltecos Emigrantes

FOR MORE INFORMATION

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