

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

LIMITS ON HOSPITAL CHARGES. INITIATIVE STATUTE. Limits hospital charges to 125 percent of hospital's good faith reasonable estimate of actual cost of service or item provided. Requires hospitals to give refunds when total charges for the year exceed 125 percent of total patient care expenses. Adjusts charge limits as needed to account for hospital's losses from treating uninsured and low-income patients. Requires hospitals to provide new annual patient care expense and revenue reports. Exempts children's hospitals, public hospitals, certain hospitals operated by health care plan providers, and certain nonprofit hospitals considered part of safety-net health system. Authorizes penalties for non-compliance. Fiscal impact: **It is the opinion of the Legislative Analyst and Director of Finance that the measure could result in a substantial net change in state or local finances if adopted, given the magnitude of the changes proposed in this measure.** (11-0082.)