

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

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.)