

May 10, 2023

The Honorable Anthony Portantino Chair, Senate Appropriations Committee State Capitol, Room 412 Sacramento, CA 95814

## RE: Senate Bill 784 (Becker) – SUPPORT As Amended March 21, 2023

Dear Senator Portantino:

On behalf of the Rural County Representatives of California (RCRC), we support Senate Bill 784 (Becker). SB 784 would allow district hospitals to directly employ physicians without interfering with the professional judgement of the physicians they hire. RCRC is an association of forty rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

The California Future Health Workforce Commission has found that California is projected to have a shortage of 4,103 primary care clinicians by 2030. At the same time, the state has significantly expanded access to care through the Medi-Cal, increasing the number of patients accessing all types of health care services. We applaud increased access to health care but recognize that providers who services the most vulnerable populations continue to struggle meeting the demand for care.

SB 784 is a modest approach to allow public district hospitals to effectively recruit and retain providers to their facilities, giving a small number of public hospitals a tool that has proven to be effective. California is one of only five states that still adheres to the Ban on the Corporate Practice of Medicine Doctrine. However, University of California and county hospitals have long enjoyed the ability to employ doctors as public providers regardless of their location.

The ability to employ physicians would allow these public hospitals to attract specialty providers that otherwise may not reach their communities through physician groups, including, OBGYNs, cardiologists and behavioral health doctors. Employment or similar models are extremely attractive to graduates coming out of residency. Allowing district hospitals, the opportunity to offer set salaries, generous benefits and set schedules, will make serving in public settings more attractive.

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Rural communities are facing dire health care workforce shortages, which are putting additional pressure on the strained service delivery systems. Small hospitals are the backbone of health access in remote communities. SB 784 is vital tool for district hospitals to close provider gaps and ensure Californians continue to receive care in rural and remote communities.

For these reasons, RCRC respectfully requests your "Aye" vote when this measure is heard before your committee. If you have any questions, please do not hesitate to contact me at (916) 447-4806 or <u>sdukett@rcrcnet.org</u>.

Sincerely, SARAH DUKETT Policy Advocate

cc: The Honorable Josh Becker, Member of the California State Senate The Honorable Members of the Senate Appropriations Committee Agnes Lee, Consultant, Senate Appropriations Committee Jessica Billingsley, Consultant, Senate Republican Caucus