

## **Hospital Community Benefits Plans: Vulnerable Populations**

Assembly Bill 1204 (Chapter 751, Statutes of 2021) adds new groups to the definition of “vulnerable populations” for community benefits planning purposes. Existing law established under Senate Bill 697 (Chapter 812, Statutes of 1994) defines “vulnerable populations” for these purposes to mean a population that is exposed to medical or financial risk by virtue of being uninsured, underinsured, or eligible for Medi-Cal, Medicare, California Children’s Services Program, or county indigent programs. This bill adds racial and ethnic groups experiencing disparate health outcomes and socially disadvantaged groups to the definition.

Beginning January 1, 2022, vulnerable populations will include the following categories:

- Racial and ethnic groups experiencing disparate health outcomes, including Black/African American, American Indian, Alaska Native, Asian Indian, Cambodian, Chinese, Filipino, Hmong, Japanese, Korean, Laotian, Vietnamese, Native Hawaiian, Guamanian or Chamorro, Samoan, or other nonwhite racial groups, as well as individuals of Hispanic/Latino origin, including Mexicans, Mexican Americans, Chicanos, Salvadorans, Guatemalans, Cubans, and Puerto Ricans.
- Socially disadvantaged groups, including the following:
  - The unhoused.
  - Communities with inadequate access to clean air and safe drinking water, as defined by an environmental California Healthy Places Index score of 50 percent or lower.
  - People with disabilities.
  - People identifying as lesbian, gay, bisexual, transgender, or queer.
  - Individuals with limited English proficiency.

The Department of Health Care Access and Information (HCAI) will develop regulations standardizing community benefits reporting and defining categories to be reported based on Community Health Needs Assessments (CHNAs). Health and Safety Code requires all private and nonprofit hospitals to “assume a social obligation to provide community benefits in the public interest” in exchange for their tax-exempt status. Nonprofit hospitals must provide a description in a community benefit plan of the activities that the hospital has undertaken to address identified community needs within its mission and financial capacity, and the process by which the hospital

developed the plan in consultation with the community. Nonprofit hospitals are required to submit community benefit plans to HCAI and post the plans to the hospitals' Internet websites. For more information, please visit the [Hospital Community Benefit Plans Program website](#). HCAI intends to start developing relevant regulations pertaining to hospital community benefit plans in 2022.

The bill also requires HCAI to develop and administer a hospital equity reporting program to collect and post hospital equity reports and convene the Health Care Equity Measures Advisory Committee. For more information, please visit the [Hospital Equity Reporting Program website](#). The Advisory Committee will provide recommendations regarding disparities in health care outcomes pertaining to vulnerable populations as defined in the statute. For the Hospital Equity Reporting portion of the AB 1204 implementation, please visit the Hospital Equity Reporting Program website.

The list of upcoming activities below includes program activities through December 2024.

Projected Time	Period Program Activities
January 2022 to June 2022	<ul style="list-style-type: none"> <li>• Begin rulemaking process for Community Benefits Regulations for standardization of community benefits reporting</li> <li>• Hospitals begin consulting with community groups to identify community needs in the new “vulnerable populations” definition categories during their Community Health Needs Assessments</li> <li>• Conduct stakeholder outreach for regulation input</li> <li>• Prepare initial draft of proposed regulations</li> </ul>
July 2022 to December 2022	<ul style="list-style-type: none"> <li>• Publish proposed regulations for public comment</li> <li>• Annual submission of Hospital Community Benefits Plans*</li> </ul>
January 2023 to June 2023	<ul style="list-style-type: none"> <li>• Complete rulemaking process to standardize community benefits reporting</li> </ul>
July 2023 to December 2023	<ul style="list-style-type: none"> <li>• Annual submission of hospital community benefits plans*</li> </ul>

January 2024 to December 2024	<ul style="list-style-type: none"><li>• Community benefits plans for fiscal years ending December 2023 submitted with standardized reporting of defined community benefits</li></ul>
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*\* Hospitals are not required to submit new information on categories outlined in statute until regulations are finalized. However, if hospitals have community benefits investments in these categories, hospitals are encouraged to report it on their annual plan.*

**-- Fact Sheet updated March 1, 2022**