

**CALIFORNIA CODES**  
**GOVERNMENT CODE**  
**SECTION 15459 - 15459.4**  
(as of May 1, 2012)

15459. As a condition of the issuance of revenue bonds, whether by the authority or any local agency, to finance the construction, expansion, remodeling, renovation, furnishing, or equipping of a health facility or the acquisition of a health facility, each participating health institution shall give reasonable assurance to the authority that the services of the health facility will be made available to all persons residing or employed in the area served by the facility.

For the purposes of this section and Sections 15459.1, 15459.2, 15459.3, and 15459.4, all of the following definitions apply:

(a) "Local agency" means any public district, public corporation, authority, agency, board, commission, county, city and county, city, school district, or any other public entity.

(b) "Revenue bond" means any bonds, warrants, notes, lease, or installment sale obligations evidenced by certificates of participation, or other evidence of indebtedness issued by the authority or by a local agency payable from funds other than the proceeds of ad valorem taxes or the proceeds of assessments levied without limitation as to rate or amount by the local agency upon property in the local agency.

15459.1. As part of its assurance under Section 15459, the participating health institution shall agree to all of the following actions:

(a) To advise each person seeking services at the participating health institution's facility as to the person's potential eligibility for Medi-Cal and Medicare benefits or benefits from other governmental third-party payers.

(b) To make available to the authority and to any interested person a list of physicians with staff privileges at the participating health institution's facility, which includes all of the following:

- (1) Name.
- (2) Specialty.
- (3) Language spoken.
- (4) Whether the physician takes Medi-Cal and Medicare patients.
- (5) Business address and phone number.

(c) To inform in writing on a periodic basis all practitioners of the healing arts having staff privileges in the participating health institution's facility as to the existence of the facility's community service obligation. The required notice to practitioners shall contain a statement, as follows:

"This hospital has agreed to provide a community service and to accept Medi-Cal and Medicare patients. The administration and enforcement of this agreement is the responsibility of the California Health Facilities Financing Authority and this facility."

(d) To post notices in the following form, which shall be multilingual where the participating health institution serves a multilingual community, in appropriate areas within the facility, including, but not limited to, admissions offices, emergency rooms, and business offices:

"This facility has agreed to make its services available to all persons residing or employed in this area. This facility is prohibited by law from discriminating against Medi-Cal and Medicare patients. Should you believe you may be eligible for Medi-Cal or Medicare, you should contact our business office (or designated person or office) for assistance in applying. You should also contact our business office (or designated person or office) if you are in need of a physician to provide you with services at this facility. If you believe that you have been refused services at this facility in violation of the community service obligation you should inform (designated person or office) and the California Health Facilities Financing Authority."

The participating health institution shall provide copies of this notice for posting to all welfare offices in the county where the participating health institution's facility is located.

(e) For all facilities in areas, and of a type, not subject to Medi-Cal contracting and for all participating health institution which have negotiated in good faith to obtain a Medi-Cal contract but were not awarded a contract by the California Medi-Cal Assistance Commission, the authority shall make modifications to the requirements contained in this section to reflect the absence of a Medi-Cal contract. Nothing in this section relieves a hospital of its obligations under Section 1317 of the Health and Safety Code.

15459.2. If the participating health institution cannot demonstrate that it meets the requirements of Sections 15459 and 15459.1, it may nonetheless be eligible for financing through the issuance of revenue bonds if it presents a plan that is satisfactory to the authority which details the reasonable steps and timetables that the borrower agrees to take to bring the facility into compliance with these sections.

15459.3. Each participating health institution shall make available to the authority and to the public upon request an annual report substantiating compliance with the requirements of Section 15459. The annual report shall set forth sufficient information and verification therefor to indicate the participating health institution's compliance. The report shall include at least the following:

(a) By category for inpatient admissions, emergency admission, and where the facility has a separate identifiable outpatient service:

(1) The total number of patients receiving services.

(2) The total number of Medi-Cal patients served.

(3) The total number of Medicare patients served.

(4) The total number of patients who had no financial sponsor at the time of service.

(5) The dollar volume of services provided to each patient category listed in paragraphs (1), (2), and (3).

(b) Where appropriate, the actions taken pursuant to Section 15459.2 and the effect the actions have had on the data specified in subdivision (a).

(c) Any other information which the authority may reasonably require.

15459.4. The remedies and sanctions available to the authority against the participating health institution for failure to adhere to the assurance given to the authority under Section 15459 shall include all of the following:

(a) Rendering the participating health institution ineligible for federal and state financial assistance under the Hill-Burton Program.

(b) Requiring a participating health institution that had originally met the conditions of community service to submit a plan that is satisfactory to the authority which details the reasonable steps and timetables that the participating health institution agrees to take to bring the facility back into compliance with the assurances given to the authority.

(c) Referring the violation to the office of the Attorney General of California for legal action authorized under existing law or other remedy at law or equity, when a facility fails to carry out the actions agreed to in a plan approved by the authority pursuant to subdivision (b) of this section. However, the remedies obtainable by the legal action shall not include withdrawal or cancellation of the project or projects financed or to be financed through the issuance of revenue bonds.