

April 17, 2018

The Honorable Jim Wood
Chair, Assembly Health Committee
State Capitol, Room 6005
Sacramento, California 95814

Re: Opposition to AB 3087 - California Health Care Cost, Quality, and Equity Commission

Dear Chairman Wood,

On behalf of the American Society of Anesthesiologists (ASA) and our more than 52,000 members, I am writing in strong opposition to AB 3087, the California Health Care Cost, Quality, and Equity Commission. Our concerns are shared by the American Association of Nurse Anesthetists which will also be sending a letter in opposition.

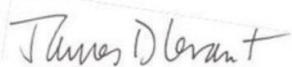
As amended, this measure would create an unprecedented politically-appointed commission to set prices for commercial health care without any physician involvement. The language would also use a percentage of Medicare rates as the base amount for health care providers which is alarming given Medicare is an inappropriate benchmark for many healthcare professions.

We are deeply concerned that this bill would endanger patient access to health care and severely diminish California's ability to train, educate, and retain an adequate physician workforce. In your role as Chairman of the Assembly Health Committee, I urge you to halt this legislation before it creates a devastating atmosphere for health care in California.

We are deeply committed to patient safety and ensuring access for high-quality, affordable health care. While proponents of this legislation claim that patient access must be coupled with affordability, initial estimates by the California Hospital Association predict that if this bill is enacted, state hospitals will lose \$18 billion annually in revenues, while ignoring the State's extremely low Medi-Cal rates. Under cost caps and a global health care expenditure cap, physicians, hospitals, and other providers would be forced to scale back on the number and type of medical services they can offer. Restricting providers' ability to provide quality, timely access to care will diminish the interest of physicians in providing care in California.

California is known worldwide for being at the forefront of innovative health care in a competitive health insurance marketplace. This legislation would move the state backward rather than forward. Please maintain the patient access to health care that patients deserve. I urge you to oppose AB 3087 and welcome any opportunity to discuss ways that physician anesthesiologists can be involved in improving health care in California.

Sincerely,



James Grant, M.D., M.B.A., FASA
President
American Society of Anesthesiologists